

REVISED FINAL STATEMENT OF REASONS

A. Update of Initial Statement of Reasons.

The entire text of the Initial Statement of Reasons is incorporated herein by reference. Further, the following information is provided to clarify and embellish the Initial statement of Reasons.

The document entitled Summary of Proposed Changes to Board's Statutes and Regulations was inadvertently left out of the final rulemaking package and is herein added under Tab 4 – “Documents Relied On”. This document was available to all interested parties both as a part of the materials available for the September 10, 2002, General Board Meeting and at all times subsequent as a public record. Likewise all other documents filed under Tab 4 (Att. 1) have been continuously available for public scrutiny during the 45-day notice period and offered to the public in the published Notice. There were no public comments or requests for information prior, during, or after the Notice period. Had there been requests, the entire contents of Tab 4 would have been included in the materials provided to the requestor(s).

Proposed section 551.10 was modified in the following non-substantive manner. The title of this proposed regulation was amended to strike the words “Motions and” as oral or written requests (that do not require the formality of a motion), to either the hearing officer or Board staff are the manner by which parties request changes in venue. Similarly, the word “board” was inserted between the words “assess” and “costs” in the second sentence of the regulation to specify that the costs that are the subject of the regulation are those incurred by the Board obtaining a new venue for hearings or settlement conferences, rather than costs incurred by the parties, counsel, or witnesses.

It has been determined that there are no standards used to evaluate when it is appropriate to change the venue of a hearing or settlement conference. Each request must be evaluated on a case-by-case basis as there are many variables that go into the evaluation, e.g., the presence of other hearings or settlement conferences in proximity to the new venue, the location of the parties and counsel for the parties in relation to the original and the proposed new venue, the availability and proximity of an administrative law judge to travel to hear the case or conduct the settlement conference, the convenience of witnesses, and the justification for the request, i.e., calendaring conflict, availability of key personnel, etc. Also, a request for a change in venue is a relatively rare event, occurring on average of about twice a year with the average number of matters (hearings or settlement conferences) being over 40 per year.

Proposed section 553 was modified non-substantively by the removal of the notation “(c)” from the beginning of the fourth paragraph of the section. This was done to make the fourth paragraph part of subsection (b) and to reinforce the fact that the antecedent reference for the fee waiver is the manufacturers’ fees in paragraph (b) and not the dealers’ fees referred to in subsection (a).

B. Imposition of Mandate on Local Agencies and School Districts.

The Board’s proposed regulatory action to adopt section 551.10, of Article 1, and amend sections 551.8, 553 and 553.40 of Article 1, Chapter 2, Division 1, of Title 13 of the

California Code of Regulations, does not impose a mandate on local agencies or school districts. The proposed regulatory action imposes (1) no cost or savings to any state agency, (2) no cost to any local agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code, (3) no other non-discretionary cost or savings to local agencies, and (4) no costs or savings in federal funding to the state. No studies or data were relied upon to make this determination.

C. Summary of Public Comments.

No public comments were received either during the public comment period, May 12, 2003, through June 30, 2003, or during the public hearing on June 30, 2003.

D. Alternatives Considered.

In accordance with Government Code section 11346.5, subdivision (a)(13), the Board has determined that no reasonable alternative it considered, or that has otherwise been identified and brought to the attention of the Board, would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

Documents Relied On as Filed Under Tab 4

Memo dated August 17, 2001, Subject: Consideration of Requests for Waiver of Annual Board Fee (with enclosures)

Memo dated April 17, 2001, Subject: Analysis of Licenses (with attachments)

List dated December 16, 2002, Uncollectable Board Fees

Agenda for the Board's General Meeting April 27, 2001

Pertinent Sections of the Transcript of Proceedings of the Board's April 27, 2001, General Meeting

Memo dated August 12, 2001, Subject: Consideration of Report on the Cooperative Review of the Board's Statutes and Regulations (with attachments except for Summary of Proposed Changes to Board's Statutes and Regulations – updated version provided below)

Table 1: Summary of Proposed Changes to Board's Statutes and Regulations – updated version prepared for September 10, 2002, General Meeting

Memo dated October 23, 2002, Subject: Status Report on the Cooperative Review of the Board's Statutes and Regulations – Draft Language

Agenda items to be discussed at the Board's October 29, 2002, General Meeting

Agenda for the Board's October 29, 2002, General Meeting

Minutes of the Board's October 29, 2002, General Meeting

Pertinent Sections of the Transcript of Proceedings of the Board's October 29, 2002, General Meeting

Agenda for the Board's December 5, 2002, Special Meeting

Minutes of the Board's December 5, 2002, Special Meeting

Memo dated November 15, 2002, Subject: Transmittal of the Board's 2003 Rulemaking Calendar

Agenda for the Board's January 8, 2003, General Meeting

Pertinent Sections of the Transcript of Proceedings of the Board's January 8, 2003, General Meeting

Memo dated April 2, 2003, Subject: Costs Accrued due to Change of Venue of Hearings